DAN E ARNETT CHIEF OF STAFF

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November 30 2005

VIA HAND DELIVERY

Mr. Charles L.A. Terreni Chief Clerk/Administrator South Carolina Public Service Commission 101 Executive Center Dr., Suite 100 Columbia, SC 29210

Re: Application of Comcast Phone of South Carolina, Inc. for an Amended Certificate of Public Convenience and Necessity Docket No. 2005-303-C

Dear Mr. Terreni:

Enclosed for filing please find the original and ten (10) copies of a Stipulation Agreement in the above captioned matter between the Applicant and the Office of Regulatory Staff. Please date stamp the extra copy enclosed and return it to me in the envelope provided.

Please let me know if you have any questions.

Jeffrey/M. Nelson

Enclosures

Margaret M. Fox, Esq cc:

Lori Reese Patton, Esq.

BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2005-303-C

PEOEMINISSION 31

IN RIE: In the matter of the Application of Comeast
Phone of South Carolina, inc. for an Amended
Certificate of Public Convenience and
Necessity to Provide Local Exchange and
Interexchange Telecommunications Services,
For Flexible Rate Structure for Local
Exchange Service Offerings Fist Approved in
Docket No. 97-467-C, and for Alternative
Regulation First Approved in Docket No. 95661-C

This Stipulation Agreement is made by and among the Office of Regulatory Staff of South Carolina ("ORS") and Comeast Phone of South Carolina, Inc. ("CPSC"), collectively referred to as the "Parties" or sometimes individually as a "Party."

WHEREAS the South Carolina Public Service Commission ("Commission") in Order Nos. 98-409 and 2004-604 in Docket No. 98-054-C previously approved a certificate of Public Convenience and Necessity for Comeast to provide local exchange telepomnumications services, private line, and special access services within those areas of South Carolina served by BellSouth Telepommunications;

WHEREAS CPSC filed an Application with the Commission in the present matter on or about September 29, 2005 wherein CPSC requested to amend its Certificate of Public Convenience and Necessity by expanding its service area for providing local telecommunications service to include those portions of South Carolina served by Verizon South, Inc. ("Verizon") and United Telephone Company of the Carolinas

("Sprint") and inter-exchange service on a statewide basis and, further, for flexible rate structure of its local exchange service offerings similar to those provided by the Commission in Order No. 98-165 and alternative regulation similar to those approved in Commission Order Nos. 95-1734 and 96-55, as modified by Order No. 2001-997;

WHEREAS, the parties to this Stipulation Agreement are both parties of record in the above captioned docket;

WHEREAS, the Parties have engaged in discussions, most recently on November 14, 2005 to determine if a stipulation of the facts in this proceeding would be in their best interest;

WHEREAS, following these discussions the Parties determined that their interest and the interests of the Public would be best served by stipulating to the following as set forth below:

- 1. The ORS agrees to stipulate into the record before the Commission the prefiled direct testimony of Comeast witness David Sered, Director of
 Regulatory/Government Affairs for the Southern Division of Comeast Cable
 Communications, without objection, change, amendment, or crossexamination.
- 2. The Parties atipulate that CPSC is a direct, wholly-owned subsidiary of Comeast Phone II, Inc. which is a wholly-owned indirect subsidiary of Comeast Corporation headquartered at 1500 Market Street; Philadelphia, Pennsylvania. Comeast Corporation is the largest cable company in the United States, serving over 21 million cable subscribers. CPSC is a

corporation organized and existing under the laws of the State of South Carolina, CPSC is registered with the South Carolina Secretary of State and holds a Certificate of Authority to transact business within the State of South Carolina.

- 3. The Parties stipulate that CPSC is a provider of local exchange and interexchange telecommunications services and wishes to expand its local exchange services to those areas of South Carolina served by Verizon and Sprint and to provide interexchange services on a state-wide basis.
- 4. The parties stipulate as evidenced by the pre-filed testimony of CPSC witness David Sered, and the documents filed with the Commission, that CPSC possesses the technical and managerial expertise and financial resources to expand its telecommunications services in South Carolina.
- 5. The Parties further agree and stipulate that it is in the public interest for CPSC to be provided authority to provide local telecommunications service within those portions of South Carolina served by Verizon and Sprint by increasing the level of competition in the South Carolina telecommunications market.
- 6. The Parties stipulate that CPSC is confiled to a flexible rate structure of its local service offerings similar to that approved by the Commission in Order No. 98-165 and alternative regulation as approved in Order Nos. 95-1734 and 96-55 and as modified by Order No. 2001-997.
- 7. The Parties stipulate and CPSC agrees to, and will, provide services which will meet any applicable service standards of the Commission and will

participate in the support of universally available telephone service at affordable rates to the extent that CESC may be required to do so by the Commission.

- 8. The ORS agrees and the Parties stipulate that CPSC's "provision of service will not adversely impact the availability of affordable local exchange service." S.C. Code Ann. §58-9-280(B)(3) (Supp. 2004).
- 9. The ORS agrees and the Parties stipulate that the provision of local exchange service by CPSC will not "adversely impact the public interest." S.C. Code Ann. §58-9-280(B)(5)!(Supp. 2004).
- 10. CPSC agrees to initially offer exchange access services in a carrier to carrier environment and that if CPSC offers additional services at some future date to be bound by the alternative regulation provisions and limitations as set forth in S.C. Code Ann. §58-9-575 (Supp. 2004) or as ordered by the Commission. The ORS agrees and hereby stipulates that CPSC has shown good cause for and is entitled to alternative regulation of its interexchange business offerings as set forth in Order Nos. 95-1734 and 96-55 in Docket No. 95-661 and as modified by Order No. 2001-997 (Docket No. 2000-407-C).
- 11. ORS stipulates that CPSC has shown good cause for, and is entitled to, regulation by the Commission for its local exchange services to be regulated in accordance with the principles and procedures established for flexible regulation in accordance with such regulation as was first granted by the

Commission to New South Communications by Order No. 98-165 in Docket No. 97-467-C and as set forth in S.C. Code Ann. §58-9-575 (Supp. 2004).

- 12. The Parties stipulate and agree that CPSC will comply with all applicable Rules and Regulations of the Commission except for those which the parties agree that CPSC is entitled to be waived upon approval by the Commission, specifically: (i) CPSC has shown good cause, and ORS agrees to, the waiver of the Financial Record Keeping Requirements of S.C. Code of Regulations Reg. 103 611 based on CPSC's usage of the GAAP system of accounts; (ii) ORS agrees that CPSC is further entitled to a waiver of the requirement under Regulation 103-631 fluit it publish a local directory based on CPSC's pledge and agreement herein to make arrangements with the incumbent LEC(s) whereby the names of CPSC's local exchange customers will be included in the directories published by the incumbent LEC(s); (iii) CPSC has further shown good cause, and the ORS stipulates to the waiver of the requirement under Regulation 103-612.2:3 that CPSC file maps with the Commission showing its certificated area as CPSC will be offering service only within the geographic service areas of incumbent LEC(s).
- 13. The Parties agree to cooperate in good faith with one another in recommending to the Commission that this Stipulation Agreement be accepted and approved by the Commission as a fair, reasonable and full resolution of the issues in the above captioned proceeding between CPSC and the ORS. The Parties agree to use reasonable efforts to defend and support

any Commission Order issued approving or adopting this Stipulation and the terms and conditions contained herein.

- 14. The Parties agree that by signing this Stipulation, it will not constrain, inhibit or impair their arguments or positions held in future proceedings. If the Commission should decline to accept the terms of this Stipulation in its entirety, then any Party desiring to do so may withdraw from the agreement without penalty.
- 15. Each Party acknowledges its consent and agreement to this Stipulation by authorizing its counsel to affix his or her signature to this document where indicated below. Counsel's signature represents his or her representation that his or her client has authorized the execution of the agreement. Facsimile signatures and e-mail signatures shall be as effective as original signatures to bind any party. This document may be signed in counterparts, with the various signature pages combined with the body of the document constituting an original and provable copy of the Stipulation.

WILAGREE:

Representing and Linding the Office of Regulatory Staff:

Plorence Velsor, Beguire

lether M. Nelson, Esquire Office of Regulatory Staff

141 Main Street, Strite 300

Columbia, SC 29201 Phone: (803) 737-0823 Fax: (803) 737-0800

Email: jncison@regstaff.sc.gov

WE AGREE:

Representing and binding Comeast Phone of South Carolina, Inc.

Lori Roeso Patton, Esquire

Womble, Carlyle, Sandridge & Rice, PLLC

One Wachovia Center, Suite 3500

301 South College Street

Charlotte, NC 28202:4900

Phone: (704) 331-4900 Pax; (704) 331-4955

Fanail: Ipatton@wesr.com

BEFORE

THE PUBLIC SERVICE COMMISSION

OF SOUTH CAROLINA

DOCKET NO. 2005-303-C

IN RE:

In the Matter of the Application of
Comcast Phone of South Carolina,
Inc., For An Amended Certificate of
Public Conveyance and Necessity to
Provide Local Exchange and
Interexchange Telecommunications
Services, For Flexible Rate Structure
For Local Exchange Service Offerings
First Approved in Docket
No. 97-467-C, and For Alternative
Regulation First Approved in Docket
No. 95-661-C.

PRECEIVED

MIN 30 MIN D: 32

SC PUBLIC SERVICE

SC COMMISSION

CERTIFICATE OF SERVICE

This is to certify that I, Pamela McMullan, an employee with the Office of Regulatory Staff, have this date served one (1) copy of the **STIPULATION AGREEMENT** in the above-referenced matter to the person(s) named below by causing said copy to be deposited in the United States Postal Service, first class postage prepaid and affixed thereto, and addressed as shown below:

Lori Reese Patton, Esq. Womble, Carlyle, Sandridge & Rice, PLLC Suite 3500, One Wachovia Center 301 College Street Charlotte, NC 28202

Margaret M. Fox, Esq. McNair Law Firm P.O. Box 11390 Columbia, SC 29211

Pamela McMullan

November 30, 2005 Columbia, South Carolina